



INTRALINKS®

Building a Better Data Room

*Best Practices for Reducing Cost, Risk and Effort
When Building a Virtual Data Room*



INTRALINKS®

1 866 INTRALINKS

New York + 1 212 342 7684

London + 44 (0) 20 7549 5200

Hong Kong + 852 3101 7022

www.intralinks.com

Best Practices Checklist

- Set up wizards
- Easy-to-use interface and functionality
- Drag & drop files and folders
- Local, network, thumb drive and email file access
- Staging environment
- Automatic document index
- Index lock
- Multiple access rights
- PDF converter
- Linked document support
- Offline access

Speed and accuracy in sharing information are critical attributes of the modern M&A process. Today, Virtual Data Rooms (VDRs) have become the industry standard for information sharing. Compared to a physical data room, VDRs are set up faster, save travel time and expense, and make administration easier and less costly. More importantly, they enable more deals to be conducted simultaneously within a shorter time frame.

But while VDRs offer many advantages over paper-based datarooms, accuracy and quality are still overarching requirements to lessen the chance of making costly mistakes and missteps during the deal process. This paper outlines a set of best practices to consider when building, organizing and managing a VDR in order to reduce costs, risk and effort.

Building a Virtual Data Room

Speed is essential when building a VDR. The quicker you can get the room up and operational with all documents uploaded, users set up and access rights assigned, the sooner the due diligence process can begin. Built-in, best-in-class features offered by your VDR will speed up the development process and get your deal moving forward.

An easy-to-use wizard that walks you through the initial set-up can accelerate VDR implementation. As most business users are comfortable with Windows, a Windows Explorer-like interface can offer ease-of-use and quick VDR creation. Keyboard short-cuts, multi-select capability, right-click functionality and familiar drag and drop handling features are also best practice capabilities for adding, deleting and organizing VDR content.

While there is virtually no limit to the number of documents a VDR can hold, having the ability to easily upload these documents and maintain their current file names and folder placement is vital. Industry-leading VDR tools, like IntraLinks Designer, accelerate the upload process with direct access to files on thumb drives, CDs, local and network drives, as well as within email attachments. Ability to quickly drag and drop multiple files and entire folder and sub-folder structures, regardless of size, into the VDR is a considerable time saver, but not a universal feature in the VDR market. Some VDR tools still require users to perform batch uploads or reorganize or rename files and folders manually.

Organizing Documents

Now that the heavy lifting of locating and adding all necessary information is complete, deal documents should be well-organized and named so they are more meaningful to buyers. A staging environment is a best practice whereby folder structures and files can be easily organized and renamed before they are uploaded to the dataroom and made "live" to interested buyers. Ability to rename files by right-clicking and selecting "rename," or through a keyboard short-cut is another time-saving feature to look for. In addition, a design tool such as IntraLinks Designer allows linked documents to be added to the VDR with the ability to maintain those links. For example, a thousand-page document with links to other files within the VDR will be maintained even after it is uploaded to the data room.

Whether paper-based or virtual, a well-organized data room should have a document index. IntraLinks Designer automatically indexes folders and documents as they are added to the deal room. Such a feature saves valuable time by eliminating the need to manually number all the documents before they are uploaded to the VDR. In addition, when files are reorganized, added or deleted the document index is automatically re-indexed. Once your index is developed, IntraLinks Designer's index lock feature protects the index from inadvertent changes and preserves the deal room structure.

Protecting Documents

Assigning the proper rights and protection levels to the correct people is vital to a smooth deal process. It ensures continuing trust among the deal team, prevents potential leaks (i.e. the wrong person seeing something they shouldn't), and limits the amount of manual oversight that needs to go into the process. This translates to a seamless deal process run with the utmost confidence.

The best VDR solutions give administrators control over who can view, download and print information. IntraLinks Designer offers three protection options, which can be applied at the folder and document levels. "Do not protect" allows a document to be printed, as well as downloaded. "Protect" limits users ability to download and share a document. "Protect and prevent print" is the highest level of protection, preventing both printing and downloading of a document, and requiring a user to enter their credentials before they can view the document.

To eliminate issues with document formatting and printing, more business users are converting their Microsoft Office documents into PDF format. With IntraLinks Designer, Microsoft Word and PowerPoint files can be automatically converted to PDF format during the upload process and still be locked or watermarked.

Managing Participants

Uploading participants and assigning the right access permissions can be a complicated process on the wrong system. Throughout the deal, users are continuously added and user permissions constantly change. Best-of-breed VDRs offer wizard-like tools to easily and quickly add and remove participants and apply document access rights.

With IntraLinks Designer you import lists of users from Excel or .csv files directly into IntraLinks, making entire bidder teams live on your VDR in minutes. You can then organize users into groups and batch assign permissions based on folders or file types. This translates to faster set of bidders who can then begin and complete their due diligence sooner.

Accessing Remotely

Managing a VDR can be a 24/7 job, especially if potential buyers are located around the world. Being able to manage a VDR "offline" adds considerable flexibility for administrators. Leading VDR tools, such as IntraLinks Designer, provide access to a "local" version of the VDR so that changes can be made even when an Internet connection is not available. This is especially beneficial for administrators who travel, allowing them to work offline and then upload changes to the VDR once an Internet connection is available.

Optional Settings to Help Organize Data

Tags

Tags give you great flexibility in classifying and organizing information in ways that are meaningful to your organization and to bidders

Custom Fields

Custom fields allow you to describe your documents in greater detail, such as expiration dates, internal tracking numbers, and the like.

Effective Date

By applying an effective date, documents can be sorted chronologically within a folder rather than alphanumerically. Users are then able to search for documents by the effective date or effective date range.



IntraLinks Designer

IntraLinks Designer is an innovative tool that provides best-of-breed capabilities for controlling and organizing one or multiple VDRs. With IntraLinks Designer you rest easy knowing that files are in the right place with the right names for the right people at the right time. Drag-and-drop functionality and set-up wizards provide fast and easy setup for creating file and folder structures, adding users and setting permissions. Additional features include:

- Familiar Windows® Explorer-like interface and drag and drop functionality
- Simultaneous upload capability for multiple files, folders and entire directories of information
- Ability to manage files, folders and users across numerous VDRs
- File access from local, network, thumb drives, even attachments within Outlook messages
- Microsoft Word and PowerPoint file PDF converter
- Ability to configure and manage custom fields and tags for documents; apply them to new and existing documents
- Dynamic indexing
- Email and SMS alerts to potential buyers when new files have been uploaded
- Remote access enables changes to be made wherever you are, online or offline

The IntraLinks Advantage

IntraLinks® provides enterprise-class solutions, which facilitate the secure, compliant and auditable exchange of critical information, collaboration and workflow management inside and outside the enterprise. Our on-demand solutions help you organize, manage, share and track information, enabling you to accelerate your workflow, optimize your business processes and realize new profit potential.

1 866 INTRALINKS

New York + 1 212 342 7684

London + 44 (0) 20 7549 5200

Hong Kong + 852 3101 7022

www.intralinks.com